

	PAPER NO: AC.27(12)	
Board/Committee:	Audit Committee	
Date:	20 June 2012	
Paper title:	Internal Audit – Key Performance Indicators 2011/12 <i>(May 2012 Update)</i>	
Author:	PricewaterhouseCoopers	
Executive sponsor:	Richard Flatman, Executive Director of Finance	
Recommendation by the Executive:	The Executive recommends that the Audit Committee note the attached report.	
Aspect of the Corporate Plan to which this will help deliver?		
Matter previously considered by:	N/A	On:
Further approval required?	N/A	On:
Communications – who should be made aware of the decision?	N/A	

Executive summary

The attached Key Performance Indicator 2011/12 May 2012 update, reports on how the Internal Audit programme has been performing thus far with respect to the targets set out at the beginning of 2011/12.

A few issues have arisen regarding management responses to draft reports and all report sponsors will be reminded of the need to reply in a timely manner. Otherwise KPIs are being met.

The committee is requested to note the report.

Attachment:

- Key Performance Indicators 2011/12 (May 2012 update)

London South Bank University



Key Performance Indicators 2011/12

May 2012 update

At each stage of the audit specific measurable targets are in place to ensure the annual audit programme is efficient and effective:

Audit Stage	Delivery	Progress as at May 2012
Production of Annual Internal Audit Plan	The annual internal audit plan will be produced for the June Audit Committee. The plan will be risk based and linked to the University's Risk Register. Once the plan is approved by the Audit Committee any further material changes must be approved by the Committee.	Achieved.
Terms of Reference	All internal audit ToRs will be agreed with the audit sponsor at least 1 week before the fieldwork start date.	ToR for Bribery Act 2010 review not issued as final prior to start of work due to late management response. All other ToRs issued as final at least one week before start of fieldwork.
Fieldwork	All audit fieldwork will be recorded on our electronic working paper system.	Achieved.
Exit meeting	An exit meeting will be held at the end of each audit to discuss the audit findings and recommendations with the audit sponsor.	Achieved.
Draft report	The draft report will be issued to the audit sponsor and Executive Director of Finance within 10 working days of the completion of fieldwork.	Achieved.
Management response	The audit sponsor will provide the engagement manager with a complete written response to the internal audit report within 10 days of receipt of the draft report. Where there is disagreement over the report or recommendations, these must be resolved within 10 working days of the problem being highlighted.	Late response for three reports.
Final report	The final report will be issued to the audit sponsor and Executive Director of Finance within 5 working days of receiving the management response. The final report will include a schedule identifying responsibility and a timescale for implementation of the recommendations.	Achieved.
Audit Committee	The engagement manager or Head of Internal Audit will provide an internal audit update report to each Audit Committee (unless requested not to) and an internal audit annual report to the Audit Committee each year.	Achieved. Reports provided to September 2011, November 2011 and February 2012 Audit Committees.

General KPIs

KPI	Measurement	Progress as at May 2012
Pre Audit Committee meetings	The engagement manager will meet with the Executive Director of Finance a minimum of 3 weeks before each Audit Committee to discuss progress and reports to be presented to the Audit Committee.	Achieved. Audit Committee 21 September 2011, Progress meeting 26 August 2011. Audit Committee 16 November 2011, Progress meeting 19 October 2011. Audit Committee 9 February 2012, Progress meeting 11 January 2012.
100% of audits delivered against the annual internal audit plan	Progress against plan detailed in the Annual Internal Audit report. Any changes to the Internal Audit plan will be agreed with Executive Director of Finance (and the Audit Committee, where material) prior to action.	Ongoing.
Management feedback > 7 or above.	A client satisfaction survey will be issued annually. Results will be shared with the Audit Committee, Executive Director of Finance and any results < 7 discussed and remedied.	Achieved. Overall satisfaction with service score was 8.
Audit Committee feedback > 7 or above	A client satisfaction survey will be issued annually to the Chair of the Audit Committee. Results will be shared with the Audit Committee, Executive Director of Finance and any results < 7 discussed and remedied.	Achieved.